INMATE TELECOMMUNICATIONS AGREEMENT

This Inmate Telecommunications Agreement (hereinafter "Agreement"), made and entered into this 3rd day of September 2003 by and between Jefferson County and the Sheriff of Jefferson County of the one part, hereinafter collectively "Sheriff," and Pay Tel Communications, Inc. of the other part, hereinafter "Pay Tel."

WHEREAS, Sheriff and Pay Tel desire to enter into a long term relationship pursuant to which Pay Tel will act as the exclusive agent and provider of inmate telecommunications equipment and services (hereinafter sometimes "Services"); and

WHEREAS, Sheriff understands the financial commitment on the part of Pay Tel in providing equipment associated with such services and agrees to cooperate and assist Pay Tel as set forth below.

NOW THEREFORE, in consideration of the mutual promises and obligations hereunder, the parties to this Agreement do hereby agree as follows:

1.0 AUTHORITY TO CONTRACT

1.1 Sheriff warrants that he/she has the exclusive authority over the Premises, and has been delegated the authority on behalf of the County which owns the Premises in order to enter into this Agreement. Sheriff further warrants that he/she has the authority to execute this Agreement and has been delegated the right to license the use of the Premises in accordance with the provision of this Agreement.

2.0 Location

2.1 This Agreement is for Services at or connected to the premises at the location or locations described in Exhibit A attached hereto (the "Premises").

3.0 Term

- 3.1 The term of the Agreement shall commence upon the installation of the inmate telephone system shall continue for a period of five (5) years from that date.
- 3.2 During the original or any renewed term of this Agreement, Sheriff shall not grant the right of installing Services upon the Premises to any other company or person. If during the original or any renewed term of this Agreement Sheriff commences operations at any location other than Premises described herein, Pay Tel shall have the exclusive right to provide Services at such new location(s) in accordance with the terms and conditions of this Agreement.
- 3.3 In addition to Services, Pay Tel shall have the exclusive right during the original or renewed term of this Agreement, to act as inmate telecommunications agent for Sheriff and the County as to all inmate telecommunication Services upon the Premises. In this regard, Sheriff agrees that it will not authorize any party other than Pay Tel to act as its agent for the purposes of negotiating, obtaining, renewing, or terminating contracts or agreements relating to the installation, operation and provision of inmate telecommunications equipment and services at the Premises.

4.0 COMMISSIONS

- 4.1 The commission payment shall be the following percentages of gross billable revenues: forty percent (40%) of the local collect calls, forty percent (40%) of intra-lata collect calls, forty percent (40%) of the inter-lata intra-state calls, and forty percent (40%) of the inter-lata inter-state calls.
- 4.2 Sheriff shall not be responsible for any losses due to fraudulent calls. Sheriff agrees to assist Pay Tel in any efforts to prevent such fraud and further agrees to aid in the prosecution of any perpetrators of fraudulent calls.
- 4.3 Sheriff acknowledges and agrees that the aforesaid commission rates are based on revenue projections calculated by reference to usage during normal inmate awake hours and Sheriff agrees that no action will be taken unreasonably to impede such usage.

5.0 EQUIPMENT AND SERVICES PROVIDED BY PAY TEL

- 5.1 Pay Tel will provide, install and operate equipment, including but not limited to coinless inmate telephones, which Pay Tel may operate now or in the future at the Premises.
- 5.2 The quantity and the placement of the equipment to be provided at the Premises shall be determined by Pay Tel in consultation with the Sheriff and may be adjusted as necessary.
- 5.3 Pay Tel agrees to provide Services in full compliance with all applicable rules and regulations of the Florida Public Service Commission and the Federal Communications Commission
- All of the Services will be provided by Pay Tel at its expense and Sheriff hereby authorizes Pay Tel to contact the local telephone company in accordance with the attached "Agency Agreement" in order to arrange for removal of existing telephone equipment and the provision of Pay Tel Services. Sheriff will provide space and a dedicated 24-hour 120 volt electrical service line to the equipment in connection with the provision of Services. Pay Tel shall pay all line and other charges imposed by any telephone company with respect to the Services.
- 5.5 Sheriff hereby grants to Pay Tel the exclusive right and authority to contract with a long distance carrier to handle all inmate long distance calls at the Premises. Pay Tel agrees to charge operator assisted rates for inmate phone calls that are equal to or less than the tariffed rates regulated by the Florida Public Service Commission and the Federal Communications Commission.
- 5.6 Any equipment provided hereunder and all telephones and their enclosures and/or pedestals, and other equipment associated with their operation are agreed by Sheriff to be personal property and not fixtures and it is the express intention of both Sheriff and Pay Tel that such equipment described herein are and shall continue to be personal property of Pay Tel. All equipment installed by Pay Tel at the Premises shall remain the property of Pay Tel. Upon termination of this Agreement for any reason including, without limitation, termination of this Agreement pursuant to § 6.1 hereof, Pay Tel shall have the absolute right to enter upon the Premises at any reasonable time to remove its equipment. Pay Tel shall repair any and all damage to the Premises by reason of removal of Pay Tel's equipment.
- 5.7 Pay Tel agrees to maintain the equipment in good operating condition. Pay Tel shall have the right during normal business hours to enter the Premises to examine the equipment for purposes of inventory control and to perform necessary maintenance and repairs. Sheriff shall notify Pay Tel of any malfunctions or loss of equipment.

5.8 Pay Tel agrees to conform with all applicable local, state and federal requirements concerning the provision of Services to those with disabilities as defined by the Americans With Disabilities Act (hereinafter the "ADA"). Sheriff shall cooperate with Pay Tel to ensure compliance with all access requirements contained in applicable local, state and federal regulations relating to those with disabilities as defined in the ADA.

6.0 TERMINATION

- 6.1 Sheriff may terminate this Agreement in the event that Pay Tel materially fails to perform its obligations under this Agreement and said material failure shall continue for a period of thirty (30) days after written notice to Pay Tel of said failure is given pursuant to Paragraph 8.1.
- 6.2 Pay Tel may terminate this Agreement at any time upon thirty (30) days written notice to Sheriff in the event that regulations governing the operation of the Services prevent Pay Tel from performing its obligations under this Agreement.
- 6.3 Pay Tel may terminate this Agreement in the event that the anticipated distribution (intra, and inter-lata) of calls or permissible charges for calls, differs by more than ten percent (10%) form the actual distribution or charges for calls and such difference persists for more than three (3) months. In the event that Pay Tel determines that such revenue differences exist, Pay Tel agrees to notify Commission of such differences and both parties agree to work in good faith towards an amendment to this Agreement that would accommodate the interests of both parties.
- 6.4 Pay Tel also may terminate this Agreement, either in whole or in part, at any time upon sixty (60) days written notice in the event that Pay Tel deems the provision of telecommunications Services to any particular facility to be unprofitable. If Pay Tel terminates this Agreement as to any less than all of the facilities covered by this Agreement, such termination shall not affect Pay Tel's right to continue providing Services at such other facilities as are not covered by such termination.

7.0 SUCCESSORS IN INTEREST

5.1 Sheriff agrees that Pay Tel shall have the right to assign this Agreement and that Pay Tel shall have the right to grant a security interest in this Agreement and in any of Pay Tel's equipment on the Premises including any and all telephones and their enclosures and/or pedestals, or other equipment associated with Pay Tel's Services. This Agreement shall be binding upon the successors and assignees of both Sheriff and Pay Tel, including, without limitation, any financial institution providing financial accommodations to the County or Pay Tel.

8.0 MISCELLANEOUS PROVISIONS

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- 8.1 All notices required to be given under this Agreement and the attached exhibits shall be sent to Pay Tel and to Sheriff addressed as shown on the signature page of this Agreement. Notices shall be sent by certified mail, return receipt requested. The date of mailing shall be deemed to be the date of giving such notice.
- 8.2 This written document, including Exhibit A and the Agency Agreement, shall constitute the entire understanding of the parties and all prior agreements and understandings are merged herein. This Agreement shall not be modified, changed or altered in any respect except in writing signed by Sheriff and Pay Tel. The following additional Exhibits, Addenda or Riders, if any, are hereby incorporated by reference into this Agreement:

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No Additions	Initials

- 8.4 In the event that any paragraph or part of the agreement is held to be void or unenforceable under any law or regulation, all other paragraphs and subparagraphs hereof shall be deemed severable and remain in full force and effect.
- 8.5 The plural number as used herein shall equally include the singular and the masculine, feminine, and neuter genders are interchangeable as required by context.

(INTENTIONALY LEFT BLANK)

This Agreement entered into as of the day and year first written above.

JEFFERSON COUNTY

SHERIFF OF JEFFERSON COUNTY

By: Kinnett . W. Fortune (Seal)

By: Kenneth W. Fortune (Printed)
Authorized Agent for Sheriff and County

Date: September 9, 2003

Attest: Jean William

Notary Public, State of Florida My comm. exp. Aug. 6, 2007

Address: 171 Industrial Fark 236337

Monticello, FL 32344

Phone: 850-997-2523 Fax: 850-997-0756

PAY TEL COMMUNICATIONS, INC.:

By: //may /ola

By: Vincent Townsend (Printed)

Date:__

Attest:

Account Representative: Charlie Dean

Address: Post Office Box 8179

Greensboro, North Carolina 27419

Phone: 800-729-8355

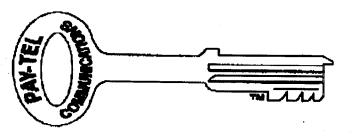
Fax: 800-776-8423

EXHIBIT A

PROPERTY DESCRIPTION

The Premises which are the subject of the Agreement dated September 3, 2003,

Jefferson County Jail 171 Industrial Park Monticello, FL 32344



AGENCY AUTHORIZATION

We have entered into a contractual agreement with Pay Tel Communications Inc. to act as our communications representative for an inmate phone system. The undersigned hereby authorizes pay Tel Communications, Inc. to act as its agent on its behalf in handling all negotiations for service and the issuance of orders for the phone lines for an inmate phone system at our detention facilities.

The undersigned releases the local exchange company or long distance carrier from any and all liability for acting in accordance with these instructions. All costs in obtaining the above information will be the responsibility of Pay Tel Communications Inc..

This authorization is only for service orders to be issued and billed to Pay Tel Communications Inc.. This authorization will obligate Pay Tel Communications Inc. to pay all charges associated with the service orders, including installation, monthly line charges, and charges for all calls billable to the line in accordance with Company tariffs.

This authorization expressly authorizes Pay Tel Communications Inc. to provide the following services in coordination with the local telephone company.

- Block access to certain specific numbers or allow access to only certain specific numbers
- Arrange phones for outward only calling
- Arrange to terminate calls after 15 minutes
- Arrange for cut-off switches for all inmate phone lines
- Arrange for the use of line concentration to service low use areas of the facility

This Authorization will remain in effect until written notice of cancellation is received by Pay Tel Communications Inc.. This authorization does not preclude our ability to act in our own behalf when we deem it necessary.

Jefferson County Jail County/Facility	By: Kennett W. Fortune
171 Industrial Park Address	Title: SHEPIFF Authorized Representative
Monticello, Fl 32344	Date: 09-05-03

9A OAK BRANCH DRIVE • P.O. BOX 8179 • GREENSBORO, N.C. 27419 1-(800)-PAY-TELL • (336) 852-7419 • FAX 1-(800)-776-8423